IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEBRASKA

IN THE MATTER OF:) CASE NO. BK05-40903
JESSE R. AYALA,) A05-4018
Debtor.) 4:04CV3221
JESSE AYALA,	-)) CH. 7
Plaintiff,)
VS.) MEMORANDUM
PANHANDLE COMMUNITY SERVICES,) AND ORDER)
Defendant.)) _)

This matter is before the court on the Report and Recommendation of the United States Bankruptcy Judge. (Filing 18.) No objections to such Report and Recommendation have been filed as allowed by 28 U.S.C. § 157 and NEGenR 1.5(b).

I have conducted a de novo review of the Report and Recommendation and I will adopt the Report and Recommendation of the United States Bankruptcy Judge that the referral of this matter to the Bankruptcy Court be withdrawn in order to permit this action to proceed in district court. I shall also order that when the Chapter 7 trustee either intervenes or abandons the bankruptcy estate's interest, as previously ordered by Chief Judge Timothy J. Mahoney, the trustee shall file its intervention or abandonment in both the United States Bankruptcy Court for the District of Nebraska and the United States District Court for the District of Nebraska. Finally, I shall refer this matter to Magistrate Judge Piester for further progression.

IT IS ORDERED:

1. The Report and Recommendation of the United States Bankruptcy Judge

(filing 18) recommending withdrawal of the reference is adopted;

2. When the Chapter 7 trustee either intervenes or abandons the bankruptcy

estate's interest, as previously ordered by Chief Judge Timothy J. Mahoney, the

trustee shall file its intervention or abandonment in both the United States Bankruptcy

Court for the District of Nebraska and the United States District Court for the District

of Nebraska; and

3. This matter shall be referred to Magistrate Piester for further

progression.

August 25, 2005.

BY THE COURT:

s/Richard G. Kopf

United States District Judge

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